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Frontier Insurance suspended from doing business after New York action

FRANKFORT, KY. – Kentucky Insurance Commissioner Janie A. Miller announced today that she has suspended the certificate of authority for Frontier Insurance Co., meaning the New York company can no longer offer surety bonds or other insurance coverage in Kentucky.

The action came after the New York State Insurance Department and Frontier Insurance Co. entered into a voluntary rehabilitation agreement, meaning New York regulators will take control of the property and casualty insurance company because of its financial condition.

The Kentucky Department of Insurance has closely monitored Frontier's financial status for the past year, including assigning financial examiners in New York to review the company's status. As a result, Kentucky entered into an agreed order in June 2000 blocking Frontier from writing any new business in the Commonwealth. In March of this year, the order was expanded, with the department asking Frontier to "We watched closely in hopes the company could continue to honor its commitments to Kentucky consumers, primarily the coal industry, and tried to give the industry time and public information to explore other options in the meantime," Commissioner Miller said.